



## SECTION 13

# Other Budget Reports

The reports in this section are additional information items required because of statutory provisions or because they provide data not addressed in the regular forms. These instructions apply only to agency budgets with the indicated funds or activities. Samples of the formats are shown here or in Appendix A-6.

## 13.1 State matching requirements for federal funding



**State matching requirements for federal funding (RCW 43.88.090(1))**

Agencies must provide a list of any state matching requirements for federal grants (both operating and capital budgets) they receive. Please submit the information in a table like the sample shown below. The data includes the federal catalog number, and the match amount required for four federal fiscal years and four state fiscal years.

| AGENCY | Page |            |
|--------|------|------------|
|        | Code | Title      |
|        | XXX  | ANY AGENCY |

## 2003-05 FEDERAL FUNDING ESTIMATES SUMMARY

DATE: 7-6-02

| CFDA NO.*                     | Agency/                                  | Federal Fiscal Year | State Fiscal Year | State Match Amounts |
|-------------------------------|--|---------------------|-------------------|---------------------|
| <b>Agency Total</b>           |  |                     |                   |                     |
|                               | FY 2002                                  | 6,459,857           | 6,502,000         | 175,000             |
|                               | FY 2003                                  | 6,441,000           | 7,862,000         | 150,000             |
|                               | FY 2004                                  | 6,925,000           | 8,485,000         | 175,000             |
|                               | FY 2005                                  | 7,500,000           | 9,075,000         | 250,000             |
| <b>Department of Commerce</b> |  |                     |                   |                     |
| <b>11.407</b>                 | <b>Interjurisdictional Fisheries Act</b> |                     |                   |                     |
|                               | FY 2002                                  | 5,000,000           | 4,500,000         | 50,000              |
|                               | FY 2003                                  | 5,100,000           | 6,000,000         | 50,000              |
|                               | FY 2004                                  | 5,500,000           | 6,500,000         | 50,000              |
|                               | FY 2005                                  | 6,000,000           | 7,000,000         | 50,000              |
| <b>Department of Interior</b> |  |                     |                   |                     |
| <b>15.605</b>                 | <b>Sport Fish Restoration Act</b>        |                     |                   |                     |
|                               | FY 2002                                  | 945,000             | 1,438,000         | 125,000             |
|                               | FY 2003                                  | 952,000             | 1,447,000         | 100,000             |
|                               | FY 2004                                  | 975,000             | 1,550,000         | 125,000             |
|                               | FY 2005                                  | 1,000,000           | 1,600,000         | 200,000             |

\*Catalog of Federal Domestic Assistance

## 13.2 Non-budgeted local fund summaries

### Non-budgeted local fund summaries (RCW 43.88.030(1)(f))

The Non-Budgeted Local Fund Summary (B-10 format) is used to summarize financial data for non-budgeted local funds that are outside the state treasury. Data can be entered in an Excel spreadsheet available from OFM. This information will be displayed in the Governor's budget document.

#### Instructions:

- a) Narrative description: List in fund code number sequence all non-budgeted local funds within the agency. Include the full title of each fund, a brief description of purpose and source of revenue and the statutory authority.
- b) Summary Financial Statement: In addition to the narrative descriptions described above, prepare a summary financial statement of fund balances on the B10 format. List each non-budgeted local fund by fund-class sequence.

The fund balances shown for June 30, 2003 and June 30, 2005 should be reported on a modified GAAP basis (refer to Section 8.2).

## 13.3 Revolving fund summaries

### Agency revolving fund amounts and fund splits

OFM will determine the amount to add to each agency's maintenance level in 2003-05 for revolving fund charges other than Personnel Services. The carry-forward level will reflect the revolving funds changes made in the supplemental budget.



We are asking agencies to verify the fund split that OFM will use when making the incremental increase for revolving funds in the Governor's budget. OFM will send this information to agencies for verification in the spring.

### Summary to include information about these revolving funds

**Administrative Hearings (Account 484)** – This account is used by the Office of Administrative Hearings for the provision of administrative hearings services to state agencies.

**Archives and Records Management (Account 006)** – This account is used for the Office of the Secretary of State's archives and records management functions.

**Auditing Services (Account 483)** – This account is used by the State Auditor’s Office for the centralized funding, accounting, and distribution of auditing costs to state agencies.

**Data Processing (Account 419-appropriated portion) DIS-Policy and Regulation Services** – Agencies with significant information technology equipment and staff pay into this fund to support the cost of policy and oversight staff support to the Information Services Board which approves acquisitions, sets policy and monitors projects for information technology statewide.

**Financing Cost Recovery (Capital Lease Program Account 739) and Thurston County Capital Facilities (Account 289)** – RCW 43.01.090, (chapter 219, Laws of 1994) created two charges related to the construction, renovation, and occupancy of certain space owned and managed by the Department of General Administration (GA) in Thurston County. One of these charges is for financing cost recovery of construction or major renovation projects of such space, and the other is a capital project surcharge to cover some of the costs of ongoing capital projects. These are in addition to all existing facilities and services, seat of government, and Department of Property Development (DPD) lease management charges. See Appendix A-5 for more information regarding these charges.



**General Administration Service (Account 422)** – This account is used by the Department of General Administration to provide a variety of services to state agencies. Self-insurance premiums will no longer be treated as a revolving fund item. See Section 12 for more information about self-insurance premiums.

**Legal Services (Account 405)** – RCW 43.10.150 creates the Legal Services Revolving Fund for centralizing the funding and cost distribution of actual legal services provided to all state agencies.

**Office of Minority and Women's Business Enterprises (Account 453)** – This agency provides a standard certification of minority and women-owned and controlled businesses.

**Notify service agencies  
about extraordinary  
service needs**

Agencies that anticipate requiring an unusual or extraordinary level of service should contact the appropriate service agency to discuss the anticipated nature and scope of the need. This approach will enable service agencies to include an appropriate estimate and cost of the service to be provided to the agency.

**Request increases in services at the performance level**

Increases in services or utilization need to be requested at the performance level for both the client and services agencies.

**Revolving fund service agencies must provide additional information**

As part of their budget submittals, service agencies must provide an agency billing list for the current biennium and for the 2003-05 total proposed budget. This list should include the estimated annual amounts to be charged each user agency, and, if a direct staff service, the FTE staff involved with each user agency. Also, each maintenance or performance level decision package must give an example of the increased charges to small, medium, and large agencies. This will help OFM evaluate the cost implications of the decision package on other agencies. The total billing amount must be reconcilable to the agency B9 revenue estimate.

OFM will provide a formatted spreadsheet to the revolving fund service agencies for their use in preparing this list.

**Revolving fund amounts are estimates**

It should be noted that the revolving fund amounts that are included in client agency budgets are estimates and the actual billings from the service agencies will be based on services rendered. It is expected that client agencies will pay their revolving fund charges as they would any bills from other vendors.

## 13.4 Six-year program & financial plans for transportation agencies

**Who is required to submit six-year program and financial plans?**

Transportation agencies must prepare their biennial budgets and strategic plans in the context of their adopted six-year comprehensive program and financial plans. RCW 44.40.070 requires all state agencies whose major programs consist of transportation activities to provide six-year plans. Agencies meeting this criteria include the following:

- Department of Transportation
- Transportation Improvement Board
- Washington State Patrol
- Department of Licensing
- Traffic Safety Commission
- County Road Administration Board
- Board of Pilotage Commissioners
- Freight Mobility Strategic Investment Board

**Where to submit the plans**

Submit six-year financial plans to the designated planning coordinator at the Department of Transportation, Financial Planning Office, Mail Stop 47400, Telephone (360) 705-7529, FAX (360) 705-6886. The coordinator will consult with the agencies, provide technical assistance when appropriate, and forward final agency financial plans to OFM.

Submit only the six-year financial plans to the coordinator. Other program plan information, project lists, and budget information should be submitted directly to OFM.

Agencies that have transportation budget appropriations out of treasury accounts they do not administer, should submit their six-year financial information through the administrators of the funds that their plans impact. Use the Fund Reference Manual on the OFM website (<http://www.ofm.wa.gov/fund/maintoc.htm>) to find the designated fund administrator for each fund.

**When are the plans due?**

The six-year plans are due on the same date that the agency budget is due. Refer to Appendix A-1 for agency budget submittal dates.

**What is a six-year program and financial plan and what information do I need to provide?**

Six-year program and financial plans detail the general objectives and needs of an agency's major transportation programs over a six-year period.

Agencies shall submit the following six-year financial information to the designated coordinator:

- Six-year operating and capital expenditures at the program level. Capital program expenditures submitted in the financial plan shall be consistent with project-specific and grant expenditure information submitted directly to OFM.
- Six-year revenue estimates by fund and source for each account administered by the agency.
- Combined six-year revenue and expenditure information as required by RCW 43.88.030. This includes information on the undesignated fund balance or deficit by fund, and any additional information related to program expenditures or revenues as the Legislature may direct by law.

- A discussion of the assumptions in the six-year plan, including explanations addressing the level of bond sales, the use of federal or private/local funds (and required state match), and assumptions underlying the biennial beginning fund balance. Future biennia spending projections that are based on assumptions other than inflationary increases should be described.

Project lists and other program plan and budget information shall be submitted directly to OFM and shall include:

- Six-year estimates of all policy items (both revenues and expenditures) that represent increases or decreases from current revenue forecasts and/or maintenance level program expenditures.
- A detailed six-year capital program at the project level or, in the case of capital programs that administer grants, a summary of projected grant expenditure levels. Department of Transportation Highway Preservation and Improvement programs shall conform to the requirements of RCW 47.05.030.
- Combined six-year program information as required under RCW 43.88.030. This includes any additional information related to workload, performance, or personnel as the Legislature may direct by law.

Agencies shall submit six-year financial and program plans for each treasury account the agency administers and include input from other agencies using the administered accounts.



While considering various new transportation revenue and expenditure plans last session, the Legislature shifted from the statutorily required six-year planning horizon to a ten-year timeframe. In order to accommodate these additional revenue and expenditure information needs, we are asking agencies to please provide ten-year financial and capital program information for those programs where an impact other than inflation should be considered.

**Separate six-year program and financial plans are required for each version of an agency's budget.**

Agencies must submit separate versions of their six-year financial and program plans for each version (i.e., current law, revenue reduction, and new law as described below) of the agency's budget. At least one version shall be based on current law revenue forecasts and program expenditure levels. This version should be constrained by current law financial resources and include any requested changes to current performance.

If new revenues are proposed above current law forecasts, the agency shall provide a discussion of the source, the forecast assumptions, and the purpose of the new revenue.

**What resources are available to help me develop my program and financial plan?**

OFM has designated a planning coordinator from the Department of Transportation to provide technical assistance and compile six-year financial planning information from transportation agencies. Telephone (360) 705-7529, FAX (360) 705-6886.

### 13.5 Puget Sound Water Quality Work Plan expenditures

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**Requirements for agencies which received Puget Sound Water Quality Work Plan funding**

The Puget Sound Water Quality Work Plan (work plan) guides water quality protection efforts of federal and state agencies, and local and tribal governments in the Puget Sound basin. Agencies are required to submit proposed Puget Sound Water Quality Work Plan expenditures in Tab D as noted in Section 1.4. This includes identification of both current funding and proposed adjustments. As part of the budget development process, agencies will need to work closely with the Puget Sound Action Team (Action Team) and OFM regarding work plan expenditures. RCW 43.88.030 and 90.71.050 require identification of expenditures necessary to implement the work plan. Specifically, the information detailed below is needed.

**Requirements for the 2003-05 budget**

All agencies that received funding to implement the 2001-03 work plan must identify, by work plan agency budget code and fund source, all actual and estimated expenditures to implement the work plan in the 2001-03 Biennium. This information will be submitted to the Action Team who will prepare a statewide summary.

These agencies are required to identify proposed 2003-05 Biennium work plan expenditures and submit them to the Action Team. These expenditures will be grouped by budget codes as they were for this biennium. Each budget code will be associated with a particular action or set of actions in the work plan. The Action Team will assemble agency-proposed work plan expenditures as part of the process of developing the 2003-05 work plan and for use in the Governor's proposed budget document.



Activities continuing from the 2001-03 work plan will need to reflect cost of living adjustments and other staff-based cost increases, as well as reasonably anticipated cost increases for other essential goods and services. New activities will require the estimation of the scope and cost of work actually required. This requires that agencies work closely with the Action Team in identifying and prioritizing proposed activities and expenditures related to the work plan.

***The Action Team will be transmitting specific budget codes, budget instructions, and electronic forms to agencies in May.*** The Action Team will request that agencies submit proposed 2003-05 work plan actions and budgets to them by **June 28, 2002**. The Action Team will prepare a draft 2003-05 work plan and budget by the end of July for public review.

## 13.6 Other budget reports and data



### Updating agency descriptions



As the result of a change to RCW 43.88.030 in the 2002 supplemental operating budget (ESSB 6387, Section 911), program level descriptions will not be included in the 2003-05 budget proposal. However, agency level descriptions will continue to be published. We will be asking agencies to update their agency descriptions starting in June, so that this task can be finished before OFM staff are working on other aspects of the Governor's budget. OFM will send out separate instructions later this spring.

### Updated second year expenditure data

In September, OFM will ask agencies to provide updated second year (Fiscal Year 2003) expenditure estimates. These estimates, along with Fiscal Year 2002 actual expenditures, will be used for fund balancing for the 2003-05 budget proposal.

### Reports on savings incentive account expenditures for each fiscal year

In early September, OFM will send instructions to agencies requesting information on the use of the Savings Incentive Account allocations in Fiscal Year 2002. Statute requires OFM to report on the use of this funding by December 1 of each year.